

Difference between managing businesses in china and in the western world

[Parts of the World](#), [Asia](#)



There is an obvious difference between managing businesses in China and in the Western world. Most likely, the differences are smaller when speaking about culturally closer countries to China. However, I will elaborate on the difference between China and the Western world.

First of all, managing business in China means involvement of government. Also, the same type of business might have different tax set. Example of government involvement is, for instance, the government regulation of each Chinese business to collaborate with a local supplier that government chooses or list of suppliers a firm can collaborate with. In the western world, every firm that has the same conditions will face the same tax rate and the government is not involved in collaboration among firms unless it violates the natural competition environment.

Another difference is the intellectual property rules. It is very likely that the product that was sold in China, might be banned in western markets due to intellectual property rights. Therefore, managers have to be aware of it.

Lastly and very importantly, there is a huge cultural difference between Chinese and westerners. We perceive each other as very different and often do not understand each other's views and opinions. Having company with both Chinese and Westerners can be very challenging. One example is the attention to details. Chinese do not focus on details and prefer not to have instructions, compared to West, where instructions are vital to prevent mistakes. Chinese might start a project when they do not have details of contract established. Even countries habits can be hard to manage in business environments. In the west, we are used to having 30 minutes lunch

break, where in China, they usually take 1.5-2 hours to have a meal and relax in the middle of the day. This approach is very different and might cause issues with meeting scheduling etc.

Chinese people have naturally very high pace of life. Everything is happening very fast. And their mantra is “faster and higher”, however that does not necessarily mean better. And this problem can be seen in business relationships with the Chinese. Even though they do not have details in place, in order to have everything done in the time they omit the details to finish the project as soon as possible. The approach of Westerners is different. We try to focus on details, plan smartly and have better quality results.

Chinese drive for fast results tends to overlook the quality of the product or project. Chinese are characterized by having many thoughts and ideas that they want to happen now and very fast. This also means that they would overlook or toss aside rules and regulations for their own convenience.

This kind of behavior can lead to a project that was promising at the beginning, to fail at the end as important details were overlooked, or there was less focus on quality, therefore the product is not successful.

To prevent this from happening, Western managers can insist on detail plan and quality work in their contracts and this way they can balance Chinese rush to finish projects.